

Tax Comparison Statement (TS-1)

Deputy Commissioner Sarah Ancel

August 4, 2010



What is the TS-1?

- I.C. 6-1.1-22-8.1 requires that a county send a tax comparison statement to every taxpayer.
- The statement must contain information for the current and prior year.
- The statement must present information related to assessments, tax rates, deductions, and credits.

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Features of the 2010 TS-1

- Standardization of size format
 - 8.5 x 11 becomes default size (others still allowed upon request)
- County-specific remittance coupons
- Two years' worth of data presented
- Additional form: Homestead Verification Form

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2010 TS-1

SPECIAL MESSAGE TO PROPERTY OWNERS
This property owner is required to fill out property value for items 1-7b for all other property, property and improvements, and 7b for all other property.

Get more information: www.in.gov/assessor

Assessor: [Name] Date: [Date] Tax Year: [Year]

Property: [Address] [City/Town/Village] [County]

Assessed Value: [Amount] Market Value: [Amount]

Homestead Exemption: [Amount]

Supplemental Homestead Deduction: [Amount]

Net Assessed Value: [Amount]

Property Tax: [Amount]

Other Taxes: [Amount]

Total Tax: [Amount]

Payment Due: [Amount]

Payment Method: [Cash/Check/Money Order/Credit Card]

Payment Date: [Date]

Assessor's Office: [Address] [Phone]

Assessor's Office: [Address] [Phone]

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2011 TS-1

- TS-1 document bundle will be released late this summer.
- Changes from 2010 will be kept to a minimum.
 - Tables, number of years, other information is the same
 - Standard size still applies
 - Remittance coupons still varies by county to meet the county needs

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2011 TS-1: Changes

- Gross assessed value not divided up between land and improvements, but instead divided up according to its classification for tax caps.
- The supplemental homestead deduction will not be broken out, but instead listed on Table 5.
- Year numbers will be updated to 2010 & 2011.
- The "Special Message" will contain a message about the Homestead Verification Form instead of the message about the 2010 Census.
- Other minor changes may be included to accommodate legislative changes.

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2011 Homestead Verification Form

- The Homestead Verification Form must be sent in 2010, 2011, and 2012.
- The 2011 form is identical to the 2010 form
- Question: does a county have to send the 2011 form to those who already submitted it in 2010? (NO)

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How to Read the TS-1: Table 1

TAX SUMMARY ITEM

1. Gross assessed value of property

1a. Gross assessed value of land

1b. Gross assessed value of improvements (including personal property)

Represents the market value of the property in its current use.

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How to Read the TS-1: Table 1

2. Equals total gross assessed value of property

2a. Minus deductions (see Table 5 below)

2b. Minus State supplemental deduction (see Table 5 below)

3. Equals subtotal of net assessed value of property

Property tax deductions are applied to the gross assessed value of a property to determine the taxable value of the property, also known as the "net assessed value."

The resulting "net assessed value of property" found on Line 3 is the amount on which the taxes are calculated.

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How to Read the TS-1: Table 1

3. Equals subtotal of net assessed value of property

3a. Multiplied by your local tax rate

4. Equals gross tax liability (see Table 3 below)

Next, the net assessed value of the property is multiplied by the local tax rate to obtain the gross tax liability.

Property tax caps do not change the local tax rate. All property in a taxing district will be taxed at the same local rate.

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How to Read the TS-1: Table 1

4. Equals gross tax liability (see Table 3 below)

4a. Minus local property tax credits

4b. Minus State Homestead credit

4c. Minus savings due to property tax cap (information on cap found in Table 2 below)

4d. Minus savings due to 65 years & older cap

Any available state or local credits are now applied to the property tax bill to reduce the tax liability.

The amounts of the local and state credits are calculated by applying a percentage reduction to the gross tax liability (Line 4). These reductions are shown on Line 4a and Line 4b.

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How to Read the TS-1: Table 1

4. Equals gross tax liability (see Table 3 below)

4a. Minus local property tax credits

4b. Minus State Homestead credit

4c. Minus savings due to property tax cap (information on cap found in Table 2 below)

4d. Minus savings due to 65 years & older cap

The next step in the calculation of your property tax bill involves the application of the appropriate cap (referenced in the special message)

If the taxes due after applying state and local credits is above the cap, the taxpayer receives a third credit to bring the tax liability down to the cap, shown on line 4c.

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How to Read the TS-1: Table 1

4. Equals gross tax liability (see Table 3 below)
4a. Minus local property tax credits
4b. Minus State Homestead credit
4c. Minus savings due to property tax cap (information on cap found in Table 2 below)
4d. Minus savings due to 65 years & older cap

A final credit may be applied for eligible senior citizens. Taxpayers receiving this credit do not pay more than 2 percent above what was due the previous year.

If the taxes due after the credits on Lines 4a, 4b and 4c result in more than 2 percent annual increase, a fourth credit is applied to bring the taxes due down to the allowable amount, shown on line 4d.

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How to Read the TS-1: Table 1

4d. Minus savings due to 65 years & older cap
5. Total property tax liability

"The Bottom Line"

Taxpayers pay this amount for property taxes for the year, plus any special assessments.

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How to Read the TS-1: Table 2

Property tax cap (equal to 1%, 2%, or 3% of Line 2, depending upon type of property)
Adjustment to cap due to voter-approved projects and charges ¹
Maximum tax that may be imposed under cap

Table 2 shows you the amount of your property tax cap.

The first line shows the cap amount based on the 1 percent, 2 percent and 3 percent thresholds. For split-use parcels, this amount will be the combined caps for the separate classes of property.

The second line lists any adjustments for things exempt from the cap. This includes voter-approved property taxes and for Lake and St. Joseph Counties, debt issued before July 1, 2008.

The third line of Table 2 shows the maximum amount of taxes you can be charged.

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How to Read the TS-1: Table 3

TAXING AUTHORITY	TAX RATE 2009	TAX RATE 2010
COUNTY	1.0000	1.0000
TOWNSHIP	1.0000	1.0000
SCHOOL DISTRICT	1.0000	1.0000
CITY	1.0000	1.0000
LIBRARY		

The first two columns of Table 3 break down by unit the total tax rate listed in Table 1, line 3a.

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How to Read the TS-1: Table 3

TAX AMOUNT 2009	TAX AMOUNT 2010
\$1,007.50	\$1,040.00
\$1,007.50	\$1,040.00
\$1,007.50	\$1,040.00
\$1,007.50	\$1,040.00

The next two columns of Table 3 break down by unit the total gross tax due listed in Table 1, line 4.

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How to Read the TS-1: Table 3

TAX DIFFERENCE 2009-2010	PERCENT DIFFERENCE
\$32.50	3.23%
\$32.50	3.23%
\$32.50	3.23%
\$32.50	3.23%

The last two columns compare the information from one year to the next.

The "tax difference" shows the dollar amount increase going to each unit.

The "percent difference" shows the percentage increase of the amount going to each unit.

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How to Read the TS-1: Table 4

TABLE 4: OTHER CHARGES TO THIS PROPERTY		
LEVYING AUTHORITY	2009	2010
Bogus Ditch	\$100	\$100

Table 4 lists all special assessments that are charged to the property in addition to the amount from Table 1, line 5.

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How to Read the TS-1: Table 5

TABLE 5: DEDUCTIONS APPLICABLE TO THIS PROPERTY ¹		
TYPE OF DEDUCTION	2009	2010
Homestead Standard	45,000	45,000
Supplemental	54,250	56,000

Table 5 lists individually all deductions that are applied to the property's gross assessed value.

This provides an itemization of the information on Table 1, line 2a.

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How to Read the TS-1

This information is also available on the DLGF Web site under the heading "Tax Bill 101."

<http://www.in.gov/dlgf/8527.htm>

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